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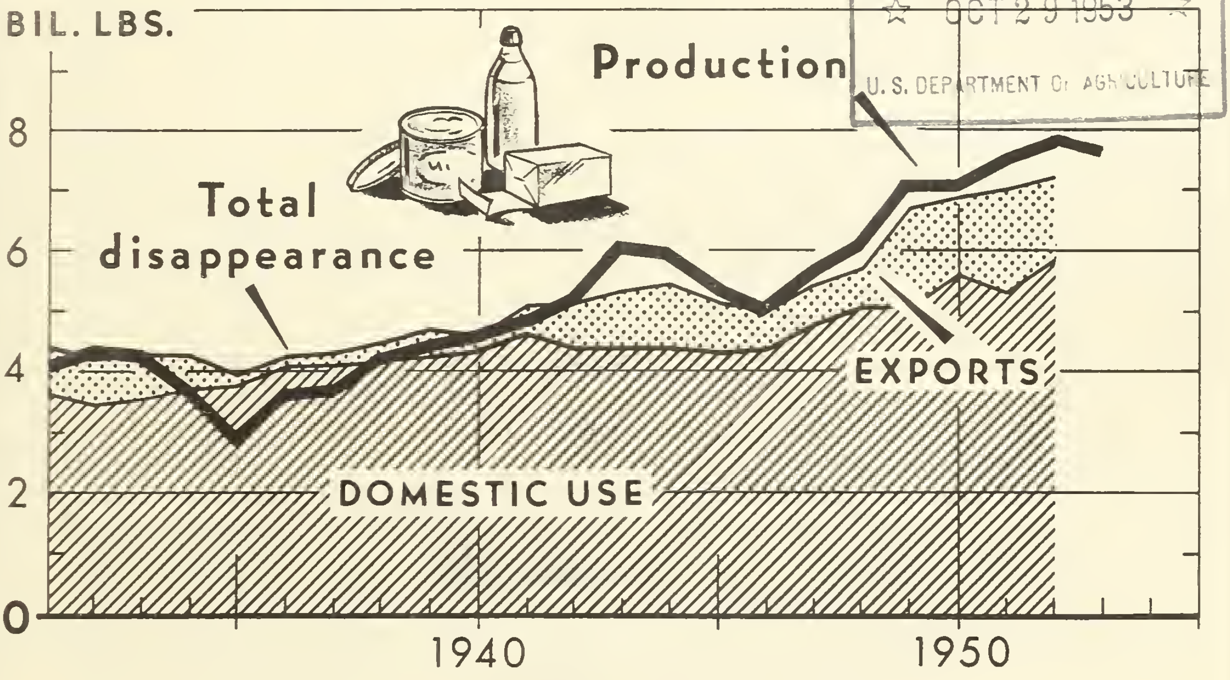
THE Fats and Oils SITUATION

BUREAU OF AGRICULTURAL ECONOMICS
UNITED STATES DEPARTMENT OF AGRICULTURE

FOS-163 BAE OCTOBER-NOVEMBER 1953

Production and Disappearance

FOOD FATS AND OILS*



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During the last 2 decades, production of food fats has increased much more than has consumption. Hence, large quantities have become available for export. Net exports, including the oil equivalent of oilseeds exported for crushing, in 1949-52 were equal to 17 percent of domestic production compared with a net import position in the 1930's. Exports in the 1952-53 crop year declined substantially from the year before, while production was at a peak. About half the cottonseed oil produced from the 1952 cottonseed crop was delivered to the Government under the support program for cottonseed.

Output of food fats in 1953-54 is expected to be down considerably from a year earlier and probably will be less than requirements for domestic use and exports. Hence, stocks on Oct. 1, 1954, probably will be lower than on Oct. 1, 1953.

Table 1.- Wholesale prices per pound for fats, oils, and glycerin at specified markets

Item	September		1953		
	1951	1952	July	August	September
	Cents	Cents	Cents	Cents	Cents
Babassu oil, tanks, New York	17.2	---	---	---	---
Butter, creamery, Grade A (92-score) bulk, New York	68.0	72.8	65.6	65.9	67.5
Butter, creamery, Grade B, (90-score) bulk, Chicago	65.8	71.2	63.0	63.2	64.1
Castor oil, dehydrated, tanks, New York	35.8	31.7	27.5	27.1	26.6
Castor oil, No. 1, tanks, f.o.b. New Jersey mills	30.8	26.6	22.4	22.0	21.5
Castor oil, No. 3, technical, drums, carlots, f.o.b. N.Y.	31.5	27.3	23.2	22.8	22.3
Coconut oil, crude, tank cars, Pacific Coast, f.o.b. mill 1/	16.5	13.4	17.5	16.9	17.8
Coconut oil, crude, tanks, Atlantic ports (tax included)	17.5	14.6	19.2	18.4	18.9
Coconut oil, Cochin type, refined, drums, N.Y. (tax included)	21.1	18.0	22.8	22.2	22.2
Cod oil, Newfoundland, drums, New York	15.0	10.4	10.0	9.9	9.5
Codliver oil, medicinal, U.S.P., barrels, New York	25.4	20.2	20.2	20.2	20.2
Corn oil, crude, tank cars, f.o.b. Midwest mills	15.8	14.3	13.7	14.1	14.2
Corn oil, refined, drums, New York	20.9	19.3	19.5	21.1	20.6
Cottonseed oil, crude, tank cars, f.o.b. S.E. mills	14.7	13.8	14.0	13.2	13.2
Cottonseed oil, p.s.y., bleachable, tank cars, New York 2/	17.0	16.0	15.1	14.7	15.3
Cottonseed-oil foots, raw (50 percent T.F.A) delivered East	1.9	1.1	1.3	1.0	.9
Cottonseed oil, refined, drums, New York	21.8	19.3	22.5	20.8	20.1
Degras, common, barrels, New York	13.8	11.0	17.0	16.0	13.0
Glycerin, soaplye, basis 80 percent, tanks, New York	37.9	22.0	30.5	30.5	24.0
Grease, A white, tank cars, f.o.b. Chicago	8.9	5.3	3.9	4.3	6.2
Grease, yellow, tank cars, f.o.b. Chicago	7.5	3.9	2.8	2.9	3.4
Lard, loose, tank cars, Chicago	16.1	9.4	11.7	14.6	16.9
Lard, prime steam, tierces, Chicago	17.6	9.9	10.8	14.3	17.8
Lard, refined, 1-pound cartons, Chicago	20.1	14.1	15.2	19.1	21.4
Linseed oil, raw, tank cars, Minneapolis	16.5	15.6	13.8	14.2	15.6
Linseed oil, raw, drums, carlots, New York	18.3	18.5	16.6	17.0	18.5
Margarine, white, domestic vegetable, Chicago	29.0	27.5	27.0	27.0	26.2
Menhaden oil, light pressed, tanks, New York	14.7	10.9	10.0	10.0	10.8
Neat's-foot oil, 30°, drums, carlots, New York	34.5	28.0	30.0	30.0	30.0
Oiticica oil, drums, f.o.b. New York	26.9	23.0	24.7	24.1	21.7
Oleo oil, extra, drums, New York	22.1	13.5	13.7	14.5	16.5
Oleostearine, barrels, New York	16.4	10.5	8.0	8.4	10.7
Olive oil, imported, edible, drums, New York	34.1	31.9	35.9	34.7	34.5
Olive oil foots, domestic, drums, carlots, New York	18.1	15.0	15.0	---	---
Palm oil, Congo, drums, f.o.b. New York 3/	21.0	12.1	11.7	11.9	12.2
Peanut oil, crude, tank cars, f.o.b. S.E. mills	17.0	17.5	19.3	19.8	22.1
Peanut oil, refined, drums, New York	22.8	23.3	32.0	26.9	28.6
Rapeseed oil, refined (denatured), tanks, New York	24.0	17.2	17.0	17.0	17.0
Sardine oil, crude, tanks, Pacific Coast	11.6	7.5	---	---	---
Sesame oil, refined, drums, New York	38.5	36.6	36.0	36.0	36.0
Soybean oil, crude, tank cars, f.o.b. Midwest mills	14.0	11.2	10.3	10.8	11.7
Soybean oil, refined, drums, New York	19.5	16.3	20.2	16.6	17.0
Shortening, containing animal fat, 1-pound cartons, Chicago	29.7	24.5	27.8	27.3	26.0
Shortening, cottonseed, hydrogenated, 10-drum lots, New York	25.8	21.5	22.2	21.8	21.8
Sperm oil, natural, 45°, drums, New York	17.4	15.1	12.8	12.8	12.8
Tall oil, refined, tanks, works	5.8	5.2	5.0	5.0	5.0
Tallow, edible, loose, Chicago	11.6	6.6	6.4	8.2	10.8
Tallow, inedible, packers' prime, tank cars, f.o.b. Chicago	9.6	5.5	3.7	3.9	4.5
Tallow, No. 1, inedible, Chicago	7.9	4.1	3.0	3.2	3.5
Tung oil, imported, drums, carlots, f.o.b. New York	37.8	39.9	29.6	29.4	28.6
Tung oil, tanks, New York	36.1	38.5	28.0	27.9	27.0

1/ Three-cent processing tax added to prices as originally quoted.
2/ Near-by futures.
3/ Tax excluded. Tax does not apply to palm oil used in the manufacture of iron or steel products, tin and terne plate. Since 1943 these are the major uses of palm oil.

Prices compiled from Oil, Paint, and Drug Reporter; The National Provisioner; The Journal of Commerce (New York); Wall Street Journal, Chicago edition; reports of Bureau of Labor Statistics, and reports of Production and Marketing Administration. Excise taxes and duties included where applicable.

THE FATS AND OILS SITUATION

Approved by the Outlook and Situation Board, October 19, 1953

CONTENTS

	Page		Page
Summary	3	Production	15
Outlook for 1953-54		Exports	18
Prices		Imports	21
Fats and oils	4	Domestic use	22
Soybeans	5	Food fats	22
Cottonseed	7	Soap fats	23
Peanuts	9	Drying oils	24
Flaxseed	11	Other industrial uses	24
Other oil crops	12	Supply situation in 1954-55	24

SUMMARY

Record supplies of food fats are in prospect for 1953-54, mainly because of the large carryover of edible oils and butter. Most of this carryover is owned by the Government and is not available for domestic use below specified minimum prices. Output of lard and edible oils in 1953-54 is expected to be down considerably and some decline in butter also is likely. Total disappearance probably will be greater than production and some decline in stocks is likely. Domestic disappearance is expected to be equal to or greater than the year before and some increase in exports is probable. Prices of food fats through next spring are likely to be well maintained. Prices next summer also will depend on new crop support programs, the outlook for domestic and foreign demand in 1954-55 and to some extent on 1954 crop prospects.

Production of soybeans in 1953, based upon reports as of October 1, totaled 259 million bushels, 32 million less than last year. Drought and hot weather late in the season reduced yields considerably, more than offsetting the record acreage harvested for beans. Present prices to farmers are near the support level of $2.56 per bushel. A seasonal increase in prices is expected.

Output of cottonseed this year is estimated at 6,376 thousand tons, up 200 thousand from last year. Prices received by farmers probably will average slightly above the support level of $50.50 per ton to farmers ($54.50 gin basis), but down considerably from last year's average of $69.60 per ton. Prices of cottonseed meal currently are well below last year's level.

The 1953 peanut crop is estimated at 1.4 billion pounds, somewhat more than last year and about 75 million pounds above the national marketing quota used in determining the acreage allotment. The increase over the quota reflects a higher than average yield. Production will be in excess of edible and farm uses and most of the surplus will be acquired by CCC. Production of peanut oil, including the oil equivalent of exported peanuts, will be greater than last year, mainly because of sales of CCC peanuts for crushing and highly damaged peanuts in the southeast. As in most years, prices will be near the support level, which for the 1953 crop is 11.88 cents per pound (national average price).

Supplies of most nonfood fats in the year beginning October 1, 1953 will be at least as large as the year before. Total slaughter of cattle and hogs probably will not differ much from 1952-53 when a record quantity of tallow and greases was produced. Supplies of flaxseed and linseed oil at the beginning of the crop year were large and the 1953 flaxseed crop is bigger than estimated requirements for the year.

Production of 1953 crop flaxseed is estimated at 39 million bushels, 8 million more than the year before. A sharp increase in acreage more than offset a moderate drop in yield. Total disappearance of flaxseed and linseed oil will be less than production and ending stocks will increase. This will reverse the downward trend of the last two or three years. The season average price received by farmers for 1953 crop flaxseed probably will be less than last year's average of $3.71 per bushel.

The 1953 tung nut crop will be supported at not less than $63.38 per ton and producers of domestic castor beans are guaranteed a minimum price of 9 cents per pound, hulled basis.

U. S. exports and shipments to territories of fats, oils and the oil equivalent of oilseeds in the 1953-54 crop year are expected to continue as high or higher than the 2.3 billion pounds of a year earlier. This would be about in line with the high level of other recent years. Such exports would be equivalent to about 20 percent of total U. S. production from domestic materials. Exports of tallow and greases were at a peak in the past year and probably will continue high in 1953-54, as large quantities again will be available for export at relatively low prices. If world consumption of food fats is to be maintained, importing countries may need to import increased quantities of food fats from the U. S. during 1953-54. Total foreign supplies of gold and dollars available for 1953-54 are expected to be somewhat higher than the year before. The Mutual Security Act of 1953 and Public Law 216, passed in the last session of Congress could expand exports of agricultural products including U. S. fats and oils. (See page 20.)

OUTLOOK

Prices

Supplies of food fats and oils in the crop year which began on October 1, 1953 probably will be at a peak, with record beginning stocks of vegetable oils and butter more than offsetting a sharp drop in production. However, CCC stocks of cottonseed oil at the beginning of the 1953 crop year comprised over 50 percent of total stocks of all food fats on that date--including butter (and about 75 percent of vegetable oil stocks). If CCC holdings of butter on October 1, 1953 are added to its stocks of cottonseed oil, the total is equal to 70 percent of total stocks. Commercial stocks on October 1, 1953 were small.

Based upon the October crop report and other indications, production of food fats in 1953-54 may be somewhat less than estimated demand for domestic use and export. Also, as of October 16, 117 million pounds of 1953 crop cottonseed oil had been tendered to CCC under the support program for cottonseed. It appears that a "tight" supply situation will prevail unless some CCC stocks are utilized.

CCC has announced that its sales price for cottonseed oil through June 30, 1954 for domestic use is the market price but not less than 14 cents per pound crude basis, f.o.b. mills. Sales for export are on a bid basis. The domestic minimum sales price is about half a cent above the current market level. The 14 cent minimum was announced on September 1, 1953, and it was stated that the price would not be reduced through June 1954. However, this does not represent a commitment to sell at this price. At present, soybean prices are near support and cottonseed products are being tendered to CCC. It appears likely that at least through next spring, prices of edible vegetable oils will average at least as high as their present levels. The spread between prices of cottonseed and soybean oils in 1953-54 is likely to be smaller than last year when a large premium was paid for cottonseed oil.

Compared with edible vegetable oils, lard prices appear high and some downward adjustment is likely later this fall. However, with reduced supplies compared with last year, lard prices will continue well above last year's level through next June or July.

Production of butter now is declining seasonally. Commercial stocks are low and some butter may have to be repurchased from CCC by the trade to compensate for reduced output this fall and winter. If this takes place, some increase in prices, which are near support, would take place. Prices during the latter part of the year will depend on the level of price support in the year beginning April 1, 1954.

Large supplies of inedible tallow and greases will tend to keep prices of these fats relatively low.

Soybean Prices To Rise

The 1953 soybean crop is estimated at 259 million bushels, 32 million less than a year earlier and the lowest since 1949. Drought late in the season reduced yields considerably, more than offsetting the record acreage harvested for beans.

Prices to farmers for 1953 crop soybeans are being supported at a national average local price of $2.56 per bushel, the same as a year earlier. In both years, the support reflected 90 percent of parity. Loans and purchase agreements are available through January 1954. Soybeans must be redeemed by May 31, 1954 or delivered to CCC.

Market prices indicate that in mid-October, farmers received about $2.45 per bushel, about 10 cents below support, for their soybeans. Soybean oil, at mid-month was selling for about 13 cents per pound and soybean meal for about $58 per ton, bulk, Decatur. In view of large CCC stocks of cottonseed oil, soybean oil prices through at least next spring will largely depend

Table 2.- Index numbers of wholesale prices of fats and oils, and wholesale prices per pound of leading fats and oils, United States, specified periods

Item	Average		Oct. 1952-Sept. 1953			Mid-October 1953
	1937-41	Oct. 1951-Sept. 1952	Range		Average 12 months	
			Low	High		
	Index numbers (1947-49=100)					
All fats and oils	44	81	73	80	76	
All fats and oils, except butter	41	60	56	66	61	
Grouped by use:						
Butter	44	108	94	102	97	
Lard	41	64	40	93	56	
Food fats other than butter and lard	38	61	63	74	68	
All edible fats and oils	42	91	83	89	86	
Soap fats	43	48	42	56	48	
Drying oils	40	86	68	79	74	
Other industrial	40	64	51	65	57	
All industrial	42	60	51	62	56	
	Wholesale prices, specified markets					
	Cents	Cents	Cents	Cents	Cents	Cents
Butter, 92-score, Chicago	29.6	72.9	65.1	71.0	66.6	66.0
Lard, tank carlots, Chicago	7.6	11.5	7.2	16.9	10.1	16.0
Cottonseed oil, crude, S.E. mills	7.0	12.7	13.2	15.3	14.2	13.5
Soybean oil, crude, tank cars, midwest mills	6.4	11.3	10.3	13.7	12.1	13.2
Corn oil, crude, tanks, f.o.b. mills	7.4	13.5	13.7	14.9	14.2	14.0
Peanut oil, crude, tanks, f.o.b. mills	7.3	15.7	18.2	25.1	21.8	21.0
Inedible tallow, prime, Chicago	6.3	6.3	3.6	5.0	4.3	4.2
Grease, yellow, Chicago	5.6	4.7	2.8	3.8	3.4	3.2
Coconut oil, crude, tank cars Pacific Coast 1/	7.0	13.2	16.3	22.7	18.5	18.5
Linseed oil, raw, tank cars, Minneapolis	9.3	16.7	13.8	15.6	14.8	15.8
Palm oil, Congo, drums, New Yord 2/	7.9	15.5	11.7	13.5	12.4	12.0
Castor oil, dehydrated, tanks, New York	N.A.	35.8	26.6	31.1	29.4	25.1
Tung oil, tanks, New York	3/21.7	40.8	28.6	39.6	32.4	25.5

1/ Three cents added to allow for tax on first domestic processing. 2/ Three cents added for tax on first domestic processing in 1937-41. This tax does not apply to palm oil used in the manufacture of iron or steel products, tin and terne plate. Since 1943 these are the major uses of palm oil. 3/ 1937-41, drums. N. A. - not available.

Compiled from Oil, Paint and Drug Reporter, the National Provisioner, Chicago edition of the Wall Street Journal, and reports of Production and Marketing Administration. Index numbers, except "Other Industrial", from Bureau of Labor Statistics.

on CCC policy. (See page 4.) Last year's average was 12.1 cents per pound. Currently the price of soybean meal is considerably lower than a year ago. Some increase in meal prices from the present level seems probable later in the season, especially if hog and poultry production increase in 1954. Prices of hogs and poultry are favorable in relation to feed prices. Through most of last year, soybean prices were comparatively high compared to prices of the oil and meal. They may continue so in 1953-54, particularly in view of the sharp reduction in the crop.

It appears that in 1953-54, U. S. exports of food fats and oilseeds may exceed last year's level, when over 40 million bushels of soybeans and the bean equivalent of soybean oil were exported. (See page 30.) Of this total, about 32 million bushels (a record) were in the form of beans. U. S. soybeans are attractively priced for the export market (being the lowest in price since the spring of 1950, except for two or three months) and substantial quantities are likely to be shipped abroad.

If, in addition to the smaller crop, there is a considerable purchase of beans early in the season for export and producers place sizeable quantities under the support program 1/, bean supplies could become tight enough to raise prices above support.

Cottonseed Prices to Average Above Support

Based on the October 1 estimate of cotton lint output and the 1948-52 average ratio between production of seed and lint, output of cottonseed in 1953 would total 6,376 thousand tons, 200 thousand more than the year before. The increase reflects higher yields as plantings were smaller than a year earlier.

Prices to farmers for 1953 crop cottonseed are being supported by loans, direct purchases, and a cottonseed-products purchase program at levels equivalent to a price to farmers of $50.50 per ton ($54.50, gin basis) of cottonseed, basis grade (100). Last year the equivalent support was $62.40 per ton.

Under the cottonseed-products purchase program, for each ton of cottonseed purchased by a participating crusher at not less than support prices, CCC will buy, if offered, specified quantities of crude cottonseed oil, meal, and linters, at specified prices. A crusher who wants to take advantage of this offer must sell all three commodities to CCC. Consequently, the total return for all three products will determine whether crushers sell their products on the open market or deliver them to CCC. Under the program, crushers can repurchase meal at the "package" value or market price, whichever is higher and linters can be repurchased at the "package" price. The minimum sale price for the oil, however, is 14 cents per pound (as announced on September 1) and is more than a cent above the "package" value of the oil. Thus, the program, while offering a support for cottonseed prices, will not support the prices of any of the three products at the specified levels.

1/ Producers placed over 14 million bushels of 1952 crop beans under support and redeemed about 10 million bushels.

Table 3 .- Soybeans: Price to farmers, acreage and yield, supply and distribution, United States, average 1937-41, annual 1942-53

Year beginning October	Season average price per bushel received by farmers	Acreage harvested for beans	Yield per harvested acre	Production	Stocks October 1	Total supply	Exports 1/	Crushings for oil and meal	Seed	Residual 2/
	Dollars	1,000 acres	Bushels	Million bushels	Million bushels	Million bushels	Million bushels	Million bushels	Million bushels	Million bushels
Average 1937-41	.96	4,126	18.7	76.7	N. A.	76.7	3.5	54.6	15.4	N. A.
1942	1.61	9,894	19.0	187.5	6.0	193.5	.9	133.5	21.0	25.6
1943	1.81	10,397	18.3	190.1	12.5	202.6	1.0	142.3	19.8	25.5
1944	2.05	10,245	18.3	192.1	14.2	206.3	5.1	153.4	18.9	21.2
1945	2.08	10,740	18.0	193.2	7.7	200.9	2.9	159.5	16.7	17.5
1946	2.57	9,932	20.5	203.4	4.4	207.8	3.9	170.2	17.5	10.8
1947	3.34	11,411	16.3	186.5	5.4	191.9	3/3.0	161.4	16.1	8.8
1948	2.27	10,682	21.3	227.2	2.6	229.8	3/23.0	183.7	15.9	4.0
1949	2.16	10,482	22.3	234.2	3.2	237.4	3/13.1	195.3	19.0	7.0
1950	2.47	13,814	21.7	299.3	2.9	302.2	3/27.8	252.0	18.2	.0
1951	2.73	13,545	20.9	282.5	4.2	286.7	3/17.0	244.4	19.5	2.1
1952 4/	2.82	14,075	20.7	191.7	3.6	295.3	3/5/32.0	5/235.0	19.8	
1953		14,335	6/18.1	6/259.5						

1/ Including shipments to United States Territories before April 1948.

2/ Computed from unrounded numbers. Includes use for feed, direct use for food, and loss.

3/ In addition, exports of soybean oil, in millions of pounds and the soybean equivalent in millions of bushels were as follows: 1947, 115 (12.1); 1948, 300 (30.6); 1949, 291 (29.4); 1950, 490 (50.5); 1951, 271 (27.1); 1952, (10 months), 78 (7.8).

4/ Preliminary.

5/ Partly estimated.

6/ Indicated October 1.

N. A. Not available.

Compiled from reports of the Bureau of the Census and U. S. Department of Agriculture.

Prices received by farmers so far this crop year have been at about the support level. For the year as a whole, prices may average somewhat above support but well below last year's season average of $69.60 per ton. Present prices of oil are near last year's level but meal and linter prices are about 35 percent below a year ago. Meal prices are the lowest since the 1948 and 1949 crop years. Cottonseed meal prices are lower than usual compared with corn and soybean meal. Some increase in meal prices from current low levels is probable. Oil prices are not likely to decline and possible might rise (See page 4).

As of October 16 CCC had accepted tender of the following quantities of 1953 crop cottonseed products: Oil, 117 million pounds; Meal, 324 million pounds; and 67 million pounds of linters. A year earlier, tenders of 1952 crop oil totaled 103 million pounds. Total tenders of oil from the 1952 crop amounted to 375 million pounds, crude basis.

1953 Crop Peanut Prices to Average Near Support

Production of peanuts in 1953 is estimated at 1,394 million pounds, 40 million more than last year and about 75 million above the marketing quota used in determining acreage allotments for the 1953 crop. The increase over last year reflects a slight rise in acreage as yields were reduced somewhat. While total production is greater than a year ago, output in the Virginia-Carolina area is down 173 million pounds, reflecting a sharp drop in yield. The 1953 national acreage allotment was 26,602 acres less than last year, but farmers picked and threshed a larger percentage of it than they did in 1952.

Production of peanuts was substantially in excess of edible and farm uses from the mid-1930's through the 1951 crop and large quantities were crushed and/or exported. Beginning with the 1952 crop, acreage has been limited to levels which with average yields would produce only enough peanuts to meet requirements for food and farm uses. However, in 1952 yields were higher than average and output was somewhat in excess of these needs. Producers delivered the surplus, about 105 million pounds, to CCC under the support program.

Edible and farm uses of peanuts have remained relatively stable in recent years, and consumption of peanuts per person in 1953-54 is expected to remain about the same as the year before. The 1953 crop is over 100 million pounds in excess of requirements for edible and farm uses and most of this surplus probably will be delivered to CCC. In addition, stocks of peanuts at the beginning of the crop year (September 1) totaled about 335 million pounds, farmers' stock basis, about the same as last year and more than any other year of record. However, nearly half of the beginning stocks were owned by CCC. A substantial percentage of the stocks are Virginia-type peanuts.

During the 1952-53 crop year, CCC sold 62 million pounds of peanuts for crushing and 18 million pounds for edible uses. It appears likely that CCC will have a substantial quantity of peanuts available for crushing or export during the 1953 crop year.

Table 4 .- Cottonseed: Price to farmers, acreage, yield, supply and distribution, United States, average 1937-41, annual 1942-53

Year beginning August	Season average price per ton received by farmers	In cultivation July 1		Production	Stocks at mills, August 1	Total supply	Exports 1/	Processed for oil and meal	Seed	Residual 2/
		Acreage	Yield per acre							
	Dollars	1,000 acres	Pounds	1,000 tons	1,000 tons	1,000 tons	1,000 tons	1,000 tons	1,000 tons	1,000 tons
Average 1937-41	26.37	26,358	3/420	5,500	134	5,634	---	4,671	4/382	439
1942	45.61	23,302	3/453	5,202	82	5,284	3	4,498	4/344	349
1943	52.10	21,900	428	4,688	90	4,778	3	3,955	317	385
1944	52.70	19,956	491	4,902	118	5,020	4	4,254	279	264
1945	51.10	17,533	418	3,664	219	3,883	4	3,262	286	213
1946	72.00	18,157	387	3,514	118	3,632	8	3,090	320	114
1947	85.90	21,560	434	4,682	100	4,782	5	4,082	314	292
1948	67.20	23,253	511	5,945	89	6,034	6	5,332	384	180
1949	43.40	27,914	470	6,559	132	6,691	11	5,712	279	401
1950	86.40	18,629	3/447	4,105	288	4,393	6	3,723	419	179
1951	69.30	28,085	448	6,286	66	6,352	11	5,475	410	319
1952	69.60	26,922	459	6,176	137	6,313	25	5,527	6/	606
1953		24,618	485	7/6,376	155	6,531				

1/ Not separately reported, 1923-41.
2/ Includes feed, fertilizer, and loss.
3/ In 1938 to 1942 and 1950, based on acres in cultivation July 1 less acres removed to meet allotments.
4/ Prior to 1943, seed used for planting was computed at a constant rate per acre, by States.
5/ Preliminary.
6/ Not available, included in residual.
7/ Indicated October 1 if the ratio of lint to cottonseed is the same as the average for the past five years.

Compiled from reports of the Bureau of the Census and U. S. Department of Agriculture.

Prices received by farmers in the postwar period have fluctuated around the support level. They are likely to continue to do so through the 1953 crop year. However, the average for the year is likely to be somewhat higher than last year's average of 11.0 cents per pound because unlike last year, there are no deductions from the loan value for shrinkage and grade loss on warehouse-stored peanuts. These charges on the average usually amounted to over half a cent per pound. Peanuts produced in 1953 are being supported at a schedule of prices which reflect a national average price of 11.88 cents per pound (for average quality peanuts) compared with 11.97 cents last year. The support is equal to 90 percent of parity (at the beginning of the crop year), the same as last year but the parity level has declined somewhat. Growers in the Southeast and Southwest are receiving the support-program loan value. Virginia-Carolina peanuts have not started to move in quantity. Loans on 1953-crop peanuts are available until January 31, 1954 and will mature May 31, 1954 or earlier on demand by CCC.

A marketing quota of 673,785 tons (1,348 million pounds) of 1954 crop peanuts and a national allotment of 1,610 thousand acres for picking and threshing was announced on October 1, 1953. This is the minimum marketing quota and acreage allotment permitted under existing legislation. Last year the quota was 663,000 tons (1,326 million pounds) and the allotment was 1,678 acres. Under the formula required by law, the yield used in making these determinations was higher than a year earlier.

Peanut producers will vote on December 15, 1953 in a referendum on marketing quotas for the 1954-56 crops. Quotas have been in effect since 1949. A two-thirds favorable vote in a referendum is required in order to continue quotas in effect. Existing legislation provides that if quotas are in effect, the price of peanuts will be supported at 90 percent of parity for the 1954 crop and at some level between 75-90 percent for the 1955 and 1956 crops. If quotas are rejected, support will be at 50 percent of parity to cooperators.

Flaxseed Prices to Average Below Last Year's Level

Production of flaxseed in 1953 is estimated at 39 million bushels, 8 million more than last year. A sharp increase in acreage, primarily in North Dakota, more than offset a moderate drop in yield. Total requirements (total disappearance of linseed oil plus uses of flaxseed except for crushing) in 1953-54 are likely to fall between 30-35 million bushels. Thus, ending stocks of flaxseed, including the flaxseed equivalent of linseed oil, will increase. Beginning with the 1948 crop, supplies of flaxseed and linseed oil have been substantially in excess of requirements.

Price support for 1953 crop flaxseed is at a national average farm price of $3.79 per bushel, 2 cents more than last year. In both the 1952 and 1953 crop years the support was set at 80 percent of parity compared with 60 percent of parity in 1950 and 1951. Prices in July and August 1953 were well below support and apparently induced farmers to place substantial quantities of flaxseed under support programs. This has been reflected in a substantial rise in prices, though they are still below support. The season average price received by farmers for 1953 crop flaxseed probably will be below the 1952 crop average of $3.71 per bushel. CCC acquired nearly 5 million bushels of 1952 crop flaxseed as a support operation. Most of this has been sold and the oil purchased by CCC. Through September 15, farmers placed 2 million bushels of 1953 crop flaxseed under support programs (compared with 0.5 million a year earlier) and can continue to do so through January 1954. CCC purchased about 1.25 million bushels of 1953 crop flaxseed in Texas and sold it at a loss.

Commercial stocks of flaxseed and linseed oil on July 1, 1953 were equal to over 11 million bushels. This plus the 1953 crop is equal to about 50 million bushels. If total disappearance is about 33 million, then about 17 million bushels will remain for commercial stocks of flaxseed, linseed oil and delivery to CCC. Commercial stocks of seed and oil are not likely to decline below 8 million, leaving about 10 million bushels avail-for delivery to CCC. Deliveries to CCC of 1953 crop flaxseed are not likely to exceed this quantity except in the unlikely event that CCC sells linseed oil for domestic use, thus reducing commercial requirements for seed.

Programs for Castor and Tung

Plantings of 1953 crop castor beans are estimated at 150 thousand acres, about 30 thousand more than the year before. Yields are expected to be higher than a year ago, hence, output of castor oil from 1953 crop castor beans, at about 25 million pounds, will be double last year's level. Farmers are receiving the minimum guarantee of 9 cents per pound for castor beans, hulled basis, and prices are not likely to deviate much from this level. In mid-October, Brazilian castor beans landed at New York were quoted nominally at slightly over 7 cents per pound.

The 1953 tung nut crop will be supported at not less than $63.38 per ton (basis 18.5 percent oil content). Grower owned tung oil from the 1953 crop will be supported at 23.9 cents per pound. Supports for the 1952 crop were $67.20 per ton (basis 17.5 percent oil content) and 26.5 cents per pound of oil. The 1953 crop support is 65 percent of parity compared with 62.2 percent for the previous crop.

Producers placed 9 million pounds of 1952 crop oil under support and have through October 31 to redeem their loans. About 2 million pounds have been redeemed. Prices of tung oil were above support until late in September, when prices declined to the support level, reflecting a reduction in the export price of Argentine tung oil.

No official estimate of 1953 tung nut production will be available until mid-December but unofficial reports indicate that it will be at least as large as last year's record crop of 120 thousand tons.

Table 5.- Peanuts: Price to farmers, acreage, yield, supply and disposition (farmers' stock basis), United States, average 1937-41, annual 1942-53

Year beginning Sept. 1	Season average price per pound received by farmers 1/	Picked and threshed			Total supply	Exports and shipments	Crushed for oil	Seed, feed, farm loss and shrinkage	Domestic food use		
		Acreage	Yield per acre	Production 1/					Military	Civilian	Civilian per capita
	Cents	1,000 acres	Pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Pounds
Average 1937-41	3.6	1,818	767	1,395	1,523	3	302	197	15	891	6.7
1942	6.1	3,355	654	2,193	2,310	4	448	326	146	1,170	8.9
1943	7.1	3,528	617	2,176	2,398	36	478	324	223	1,092	8.4
1944	8.0	3,068	678	2,081	2,403	29	2/431	275	288	1,140	8.7
1945	8.3	3,160	646	2,042	2,280	63	2/378	302	14	1,243	9.1
1946	9.1	3,141	649	2,038	2,325	252	534	303	---	1,036	7.2
1947	10.1	3,377	646	2,182	2,379	483	478	289	3	951	6.5
1948	10.5	3,296	709	2,336	2,510	762	483	226	6	914	6.2
1949	10.4	2,308	808	1,865	1,983	131	612	228	7	887	5.9
1950	10.9	2,268	898	2,037	2,156	72	642	227	14	947	6.2
1951	10.4	2,009	834	1,676	1,931	4	415	177	10	994	6.4
1952 3/	11.0	1,459	928	1,354	1,689	3	198	131	4/10	1,014	6.5
1953		1,516	5/920	5/1,394	1,729						

1/ Year beginning August 1 in the Southwestern area; September 1 in the Southeastern area; and November 1 in the Virginia-Carolina area.

2/ Total crushings minus crushings of imported Argentine peanuts.

3/ Preliminary.

4/ Partly estimated

5/ Indicated October 1.

Exports from Bureau of the Census. Other data from Bureau of Agricultural Economics.

Table 6 .- Flaxseed: Price to farmers, acreage, yield, production, net trade, crushings and stocks; also, stocks and total disappearance of linseed oil in terms of flaxseed, United States, average 1937-41, annual 1942-53

Year beginning July	Flaxseed							Linseed oil in terms of flaxseed	
	Season average price to farmers per bushel	Planted acreage	Yield per planted acre	Production	Net imports (+) or net exports (-)	Crushings	Stocks, July 1 1/	Stocks, July 1	Total disappearance 2/
	Dollars	1,000 acres	Bushels	Mil. bu.	Mil. bu.	Mil. bu.	Mil. bu.	Mil. bu.	Mil. bu.
Average 1937-41	1.63	2,305	8.0	19.6	+16.8	33.9	3.8	7.2	33.0
1942	2.36	4,698	8.7	41.0	+ 6.3	44.3	6.2	11.8	49.3
1943	2.83	6,182	8.1	50.0	+16.8	54.6	4.4	10.1	51.8
1944	2.90	2,887	7.5	21.7	+ 5.1	32.9	12.2	17.7	44.0
1945	3/2.89	3,953	8.7	34.6	+ 3.4	29.3	3.1	8.2	37.3
1946	4.04	2,641	8.6	22.6	+ 1.3	24.6	6.6	5.7	31.1
1947	6.15	4,264	9.5	40.6	+ .7	30.1	1.7	7.6	32.2
1948	5.71	5,121	10.7	54.8	- 4.1	37.3	7.2	7.0	25.2
1949	3.63	5,348	8.0	43.0	- 2.0	37.4	19.4	19.3	26.3
1950	3.34	4,274	9.4	40.2	- 2.9	42.3	17.0	29.4	37.7
1951	3.71	4,116	8.4	34.7	- 4.2	30.3	12.3	33.8	30.5
1952 4/	3.71	3,450	9.0	31.0	- .2	25.2	11.5	33.6	28.0
1953		4,618	8.4	5/39.0			10.1	30.8	

1/ Partly estimated before 1948.
2/ Domestic disappearance plus exports.
3/ In addition, farmers were eligible for payments of $5.00 per planted acre (equivalent to 56 cents per bushel at the average yield of 9 bushels per acre).
4/ Preliminary.
5/ Indicated as of October 1.

Compiled from reports of the Bureau of the Census and United States Department of Agriculture.

Large Supplies of Fats and Oils Available in 1953-54

Supplies of food fats in the 1953 crop year will reach a peak of nearly 10.4 billion pounds (including butter on an actual weight basis), about 0.1 billion more than last year. Production, at 8.8 billion pounds, is estimated to be down 600 million pounds but this will be more than counter-balanced by larger beginning stocks of vegetable oils and butter. A small reduction in butter output is expected, with the rest of the decline in lard and vegetable oils.

Supplies of butter in 1953-54 are estimated at 1,875 million pounds, about 10 percent more than the year before and the most for many years. Although production is expected to be down about 50 million pounds from last year's total of 1,600 million, beginning stocks (October 1) are nearly three times greater than last year and the most of record for that date. Output in the 1952 crop year was well above the two previous years and large quantities were sold to CCC under the support program for dairy products. About 80 percent of the October 1, 1953 stocks are owned by the Corporation. Milk output in 1953-54 is expected to be about the same as a year ago, but less will be available for butter production because increasing quantities are being used in fluid milk and other outlets which yield a higher return than does butter. The yearly rise in population alone required an annual increase of milk for these uses equivalent to about 50 million pounds of butter.

Lard supplies in the 1953 crop year are expected to total slightly over 2,400 million pounds, about 300 million less than the year before and the least since the 1947 crop year. Stocks on October 1, 1953 were considerably less than a year earlier and output in 1953-54 is estimated at 2,350 million, down 220 million pounds. The 1953 spring pig crop was 10 percent less than a year earlier and farmers' reports on June 1 indicate a 5 percent drop in the 1953 fall pig crop. Any change in farmers' intentions for the 1953 fall pig crop probably would be upward, reflecting the favorable hog-corn ratio. Yield of lard per hog slaughtered under Federal inspection declined considerably this past year, as the average liveweight dropped sharply while yield per 100 pounds of liveweight remained about the same. There has been a steady downward trend in average liveweight of hogs slaughtered in the postwar period but in some years it has been offset by an increase in lard yield per 100 pounds of liveweight. Lard yields in 1953-54 most likely will be at least as high as in the past year, as the average liveweight of hogs slaughtered probably will be at least as high as last year.

Supplies of vegetable oils used chiefly for food in 1953-54 are likely to total nearly 5.9 billion pounds, about 5 percent more than last year and the most of record. Production, at 4.7 billion pounds, including the oil equivalent of soybeans and peanuts expected for crushing, may be down 0.3 billion pounds but beginning stocks were nearly double a year earlier. The entire reduction likely will be in output of soybean oil.

Production of cottonseed oil in the year beginning October 1, 1953 may be about the same as a year ago. The 1953 crop is somewhat larger than the year before. However, seed crushed next summer will be mostly from the 1954 crop, which, if marketing quotas and acreage allotments on cotton are in effect will be smaller than the 1953 crop. There was a substantial increase in solvent crushing of cottonseed this past year. This was reflected in a record oil yield of 327 pounds per ton of seed crushed. The oil yield probably will increase slightly this year, reflecting a small expansion in solvent crushing and perhaps a slightly higher oil content in the seed.

Table 7.- Number and average live weight of hogs slaughtered under Federal inspection, yield of lard per hog and per 100 pounds live weight, and production of federally inspected lard, average 1937-41 and 1946-52

Period	Hog slaughter		Yield of lard per		Lard production
	Number	Average live weight	Hog slaughtered	100 pounds	
	Thousand	Pounds	Pounds	Pounds	Million pounds
Average 1937-41	41,223	234.1	29.7	12.7	1,224
Year beginning October					
1946	47,062	257.0	35.4	13.8	1,666
1947	47,736	251.0	34.1	13.6	1,628
1948	51,205	249.9	36.2	14.5	1,855
1949	56,379	243.9	35.4	14.5	1,995
1950	60,984	246.5	35.7	14.5	2,178
1951	63,029	242.6	35.9	14.8	2,260
1952 1/	56,400	234.7	34.6	14.7	1,950

1/ Preliminary.

Compiled from reports of the Production and Marketing Administration.

With the 1953 soybean crop down sharply from a year earlier, crushings and exports probably will total between 240-245 million bushels, compared with about 267 last year. The oil yield per bushel crushed in 1952-53 was at a peak of about 10.8 pounds, nearly one pound more than the previous year. While there probably was some further expansion in solvent crushing last year, it is possible that part of the increase in yield was due to higher oil content of the beans. Weather conditions this year probably were not as favorable for the production of beans with a high oil content as last year. Any decline in yield due to oil content of the beans probably will be small and could be offset by some further expansion in solvent crushing.

Crushings and exports of peanuts for crushing in 1953-54 may be greater than last year's total, which was equivalent to about 50 million pounds of oil. CCC may sell more peanuts for oil than last year.

Table 8.- Estimated production of fats and oils from domestic materials and oil equivalent of exported domestic oilseeds, year beginning October 1953 with comparisons

Item	Average 1937-41	Average 1942-46	1949	1950	1951	1952 1/	1953 2/
	Mil.lb.	Mil.lb.	Mil.lb.	Mil.lb.	Mil.lb.	Mil.lb.	Mil.lb.
Butter (actual weight)	2.224	1,760	1,701	1,472	1,339	1,610	1,560
Lard and rendered pork fat	2,091	2,514	2,626	2,811	2,920	2,570	2,350
Edible beef fats 3/	225	197	168	158	173	215	200
Total, edible animal fats	4,540	4,471	4,495	4,441	4.432	4,395	4,110
Corn oil	173	221	242	243	223	250	235
Cottonseed oil	1,456	1,179	1,795	1,227	1,722	1,825	1,800
Edible olive oil	6	5	2	2	4	7	4
Peanut oil	87	4/128	184	190	123	52	
Peanuts (shelled), oil equivalent of exports for crushing abroad 5/	---	10	32	21	---	---	75
Soybean oil	500	1,344	1,937	2,454	2,444	2,550	
Soybeans, oil equivalent of exports 6/	31	24	128	272	167	325	2,600
Total, edible vegetable oils	2.253	2.911	4,321	4.408	4,682	5,009	4,714
Inedible tallow and greases	1,303	1,782	2,150	2,343	2,266	2,550	2.500
Fish, whale and seal oils 7/	220	170	158	164	123	125	125
Total, soap fats and oils	1.523	1.952	2,308	2,507	2.391	2,675	2.625
Linseed oil 8/	361	579	726	308	554	500	
Flaxseed, oil equivalent of exports 9/	---	10/	49	78	55	10/	650
Tung oil	2	3	27	12	14	42	40
Castor oil	---	---	---	---	8	13	25
Total, drying oils	363	588	802	399	631	555	715
Other fats and oils 11/	21	36	25	27	26	25	25
Grand total	8,700	9,958	11,950	12,233	12,213	12,659	12,189

1/ Preliminary.

2/ Forecasts based on October 1 crop estimates and other indications.

3/ Edible tallow, oleo stock: oleo oil, and oleostearine. Beginning January 1949, use of edible tallow in pressing is subtracted from reported production of tallow.

4/ Excludes oil equivalent of Argentine peanuts imported in 1944.

5/ 43 percent of actual weight.

6/ 9 pounds per bushel, 1937-46; 9.8 pounds in 1949-51; 10.0 pounds in 1952.

7/ Excludes cod oil and fish liver oils.

8/ Excludes oil equivalent of imported flaxseed.

9/ 19.8 pounds per bushel.

10/ Less than 500,000 pounds.

11/ Neat's foot oil, wool grease, cod and fish-liver oils, and vegetable oils not reported separately by kind.

Compiled from reports of Bureau of the Census, Fish and Wildlife Service, and U.S. Department of Agriculture. Totals computed from unrounded numbers.

In recent years, production of corn oil has varied within a narrow range of 225-250 million pounds. Output in 1953-54 is likely to fall within this range. Corn oil is a byproduct of the processing of corn for other products, mainly corn starch and corn sugar.

Output of inedible tallow and greases in 1953-54 will not differ greatly from the estimated record level of 2,550 million pounds produced the year before. Production of greases will continue to decline, reflecting the expected drop in hog slaughter. Little change in tallow output is likely. Cattle slaughter rose sharply during the past two crop years but now appears to be leveling off although a further slight rise is possible. However, the average liveweight of the cattle slaughtered may be down from last year, including a smaller percentage of cattle fed to last year's weights. This will tend to slightly reduce tallow production per animal slaughtered. Stocks of inedible tallow and greases on October 1, 1953 probably were moderately larger than the 340 million pounds recorded for a year earlier.

Supplies of flaxseed in the crop year which began last July 1 are large enough to permit a sharp increase in crushings and exports compared with the total of 25 million bushels of the year before. Crushings in July-August 1953 were down slightly from a year ago. However, crushings in the remaining 10 months should be up considerably from last year. CCC is still crushing about 5 million bushels of 1952 crop flaxseed. Also, a pickup in crushings will be necessary to meet requirements for domestic use and exports of linseed oil. Such needs probably will be close to 30 million bushels--if users are not to purchase oil from CCC. Commercial stocks of linseed oil at the beginning of the crop year totaled about 120 million pounds (equal to about 6 million bushels) and are not likely to be reduced much below this level.

Little change in production of tung and fish oils is expected in 1953-54 but output of castor oil may increase. Domestic production of castor oil is only a small part of total supply and this has been true for tung oil, except for the war years, up to the past crop year. Production of tung oil in 1952-53 totaled 42 million pounds, three times the quantity produced the year before and the most on record. Imports, meanwhile, declined sharply.

Some Increase in U. S. Exports Likely

U. S. exports and shipments of fats, oils and the oil equivalent of oilseeds in the 1953-54 crop year are expected to continue as high or higher than last year. This would mean exports and shipments of about 2.3 billion pounds, about in line with the high level of recent years. Such exports would be equivalent to about 20 percent of total U. S. production from domestic materials.

Exports (excluding shipments) during the 10-month period, October 1952-July 1953, totaled 1,907 million pounds, 122 million less than a year ago (see page 30). A 26 percent decline in food fats more than offset record exports of inedible tallow and greases. Inedible tallow and grease exports comprised 45 percent of the total compared with only 30 percent a year earlier. Most of these inedible fats went to Japan, Western Europe, Egypt and the Union of South Africa.

U. S. tallow and greases are about the cheapest fats in the world market and are priced substantially below palm oil, their chief competitor. With large supplies and low prices of tallow and greases likely in 1953-54, exports again should be substantial. The U. S. is the major source for exportable supplies of animal fats.

Exports of soybeans in 1952-53 reached a peak of about 32 million bushels compared with 17 million a year ago. However, reduced shipments of edible vegetable oils and lard, compared with a year earlier, more than offset the increase in beans. About half of the beans went to Japan. Formosa and the Netherlands also took greater amounts than a year earlier.

Through July, Japan took 13.8 million bushels of soybeans, Canada 4 million, Formosa 3.3 million, and the Netherlands 2.7 million, or a total of 23.9 million bushels. For the same period a year earlier, these countries took 10.6 million bushels. Reduced shipments of edible oils went to Western Europe, Canada, Mexico and Chile. Most of the reduction in exports of lard was in the quantity taken by the United Kingdom (down 137 million pounds through July), though Cuba, Mexico, the Netherlands and Austria also took less. Currency difficulties limited exports to the U. K. It is probable that large exports of tallow and grease for use in soap are having some depressing effect on U. S. exports of food fats. Palm oil is used in food as well as in the production of soap. With adequate supplies of tallow and grease available, palm oil can be diverted to food uses. While palm oil sells above tallow it is well below present prices for U. S. edible oils.

World production of fats and oils has recovered to about the prewar per capita level and a fair balance between production and consumption requirements has been achieved. However, much of the surplus available for export is in the United States dollar market. If world consumption levels are to be maintained, importing countries may need to draw on the United States for increased supplies of food fats during 1953-54.

Except for a recovery of the Mediterranean olive oil harvest from the "off year" of 1952-53, and better peanut crops in West Africa and India, no large production increases are in sight. And the olive oil gain will be partially offset by a sharp reduction in this year's rapeseed harvest in Europe. Production in France, for example, has declined from 494 million pounds in 1952 to an estimated 230 million pounds. Swedish production is also down in the neighborhood of 200 million pounds, and a substantial decline is indicated for Western Germany. In general, these declines in European rapeseed production, approximating 200 million pounds, oil equivalent, will need to be offset by increased imports of fats and oils. Also, the possible derationing of fats and oils in the United Kingdom during 1954 would mean some increase in import requirements for consumption and stocks.

Exportable supplies from several sources outside of the United States during 1953-54 remain uncertain. Important among these are the outcome of the 1954 pelagic whaling season, the size of the next sunflower harvest in

Argentina, the trend of copra production in the Near East, the rate of peanut shipments (as contrasted with production) out of Africa, and the volume of oilseeds and oil exported from China. Even if the size of the Chinese crops were known, it would not provide an adequate basis for predicting Chinese exports since supplies are controlled by a State monopoly. Because of the advantage held by soft-currency areas, however, actual exports from the United States are contingent to a considerable degree on Chinese exports. Thus, China introduces an additional uncertainty into the outlook for United States exports of fats and oils. Shipments of Chinese soybeans and oil through the Suez Canal in January-June 1953 (the latest period for which data are available) totaled 10.3 million bushels (including oil on a bean basis), 56 percent more than a year earlier. However, it is not known what percentage of the total went to Eastern Europe and Russia. It should be noted that if Japan purchased beans from China, as was the situation prior to the Korean conflict, these beans would not be available for shipment to Europe. There are some indications that Japanese purchases of U. S. soybeans in 1953-54 may be nearly as large if not as large as the record quantity taken a year earlier.

The experience of recent years indicates little basis for anticipating a significant increase in non-dollar supplies for export. Furthermore, stocks in the importing countries have been worked down from the post-Korea peaks, and buying for the past several months has been primarily to meet current needs. Net imports by the U. K. in January-August 1953, for example, were down 8 percent from a year earlier. Increased procurement to meet the requirements of expanding populations is likely to take place in the year ahead.

Total foreign supplies of gold and dollars available for the 1953-54 marketing year are expected to be somewhat higher than the year before. Section 550 of the Mutual Security Act of 1953 authorizes the use of not less than 100 million and not more than 250 million dollars for the purchase by other countries of U. S. surplus agricultural products. The Act provides that exports financed under Section 550 are not to displace customary exports of the U. S. or friendly countries. The Foreign Operations Administration (FOA), announced on October 14 that under Section 550, it has set a tentative figure of $130 million for use by European countries and 35-45 million dollars for use by other friendly countries.

Public Law 216 approved August 17, 1953, authorizes the use of surplus commodities in CCC stocks for famine and other urgent relief. Under this Act, 1.7 million dollars was authorized on October 1 for the purchase of cottonseed oil for East Germany. These funds and programs could expand exports of agricultural products, including U. S. fats and oils.

Thus, there is a good possibility that a larger quantity of U. S. food fats will move to foreign markets than last year. A greater percentage of the total may be in the form of edible oils. Lard prices are high compared to vegetable oils, reflecting reduced supplies of lard. Production of soybeans is down substantially from last year when exports of beans reached a peak of about 32 million bushels.

Exportable supplies of flaxseed and linseed oil from areas other than the U. S. appear to be down in 1953-54 compared with last year, mainly because of reduced output in Canada and Argentina. Also, Argentina has agreed to sell about 165 million pounds of oil to Russia. The U. S. Government owns large supplies of linseed oil but world prices are well below U. S. prices. Linseed oil landed in Europe is selling for 10-12 cents per pound, bulk basis, compared with about 16 cents per pound in Minneapolis. CCC will consider bids for export. U. S. exports of flaxseed and linseed oil in 1953-54 likely will continue at the low level of last year unless U. S. prices are reduced considerably.

Imports to Remain About the Same

United States imports of fats, oils, and the oil equivalent of oil-bearing materials in October 1952-July 1953 totaled 843 million pounds compared with 832 million a year earler. (See page 30.) As usual, coconut oil and copra comprised about 50 percent of the total, and castor oil and beans about 20 percent.

Exports of coconut oil and copra from the major producing areas are down sharply from the year before, but shipments to the U. S. have been maintained at about the same level. Hence, supplies to Europe and other areas have been lower.

Reduced exports from the Philippines, the chief supplying country, have been due to the adverse effects on production caused by typhoons and drought, kadang-kadang disease in the Bicol region, and the harvest of immature nuts in March when copra prices were high. In Indonesia the reduction in exports reflects lower production due to earlier indiscriminate pickings of nuts, particularly in Java, in addition to the destruction of a large number of trees in West Kalimantan by the invasion last year of "artona" worms.

Imports of castor beans and oil in 1953-54 probably will be as large as the year before. Most of the U. S. imports of these oils come from India and Brazil. The 1953 Indian crop is about the same size as a year ago. The little information available at this time on the Brazilian crop suggests that it may be no smaller than last year.

U. S. imports of tung oil from China have been embargoed by a treasury regulation since December 1950. In the meantime, Argentina has been the major source of foreign supply. U. S. imports of tung oil were small during most of the 1952-53 crop year, but trade reports indicate that Argentina offered substantial quantities of oil in the U. S. market in September 1953. Supplies of tung oil in Argentina in 1953-54 are believed to be larger than a year earlier.

The President, on June 8, 1953 issued a proclamation (under section 22 of the Agricutural Adjustment Act) affecting imports of certain fats, oils, and oilseeds as follows: Imports of peanuts are limited to 1,709,000 pounds, shelled basis, and imports of butter are limited to 707,000 pounds per year. A 50 percent ad valorem fee was placed on flaxseed and linseed oil and a 25 percent ad valorem fee was imposed on imports of peanut oil in excess of 80 million pounds.

In addition to the above restrictions, import duties on these items are as follows:

Peanuts		
Not shelled	4.25	Cents per pound
Shelled	7.0	Cents per pound
Peanut oil	4.0	Cents per pound
Flaxseed	50.0	Cents per bushel
Linseed oil	4.5	Cents per pound
Tung nuts	Free	
Tung oil	Free	

The import duty on butter is 7.0 cents per pound for the first 60 million pounds and 14 cents for any additional quantity. However, there are monthly limits, and quantities in excess of these limits are subject to the higher rate even though the total for the year is less than 60 million.

Use of Fats and Oils in Food to be Maintained or Increased; Some Drop in Nonfood Uses Likely

Domestic disappearance of fats and oils in the year that ended September 30, 1953 is estimated at 65 pounds (fat content) per person (civilian and military). This is the same as a year earlier. There was practically no change in either total food or total nonfood uses. Disappearance of food fats in 1953-54 probably will be at least as high as in the past year, but some slackening in use of nonfood fats is probable.

Butter consumption declined to a new low of about 8.7 pounds per person (actual weight) in 1952-53. Supplies exceeded use at the prevailing support of 65.75 cents per pound, wholesale, Chicago (equivalent to 90 percent of parity for butterfat). Hence, large quantities were acquired by CCC. Prices will be supported at 90 percent through March 1954. The support price for the April 1954-March 1955 year has not been announced by the Secretary of Agriculture (support is mandatory at some level between 75-90 percent of parity).

Margarine consumption has been steadily trending upward and in 1952-53 was at a peak of 8.1 pounds per person (actual weight). Price relationships between butter and margarine have been favorable for increased use of margarine. Also, only two States (Minnesota and Wisconsin) now prohibit the production and sale of colored margarine. Since 1949, 14 States have repealed their prohibition against the manufacture and sale of colored margarine. Civilian use of margarine probably will increase at least through next March. Consumption after that date would be influenced to some extent by any changes made in the support for butter. It appears that for the 1953-54 crop year, civilian consumption of margarine will be at least as large if not larger than the year before.

Total consumption of lard and shortening remains relatively stable from year to year. With less lard and more vegetable oils available in 1953-54 compared with last year, a greater percentage of combined consumption probably will be in the form of shortening. Use of lard in shortening has been trending upward. Total disappearance was about 21.5 pounds per person in 1952-53.

Other food fats - Use of fats and oils in cooking and salad oils, in mayonnaise, salad dressing, bakery goods and confectionery in 1952-53 was about the same per capita as a year earlier. Little change is likely in 1953-54.

Use of fats and oils in soap continued its downward trend in 1952-53, totaling about half a pound per person less than the year before and the lowest in many years. Synthetic detergents continue to displace soaps made with fats and oils. The American Soap and Glycerine Association reports that in January-June 1953 sales of snythetic detergents surpassed those of soap for the first time of record. Some further expansion in consumption of synthetics is probable in 1953-54 and will be reflected in reduced use of fats and oils in soap. Some synthetic detergents contain fats but most are made from petroleum derivatives and coal-tar products. About 155 million pounds of fats and oils were used in synthetic detergents in calendar year 1951 (the latest period for which data are available).

Tallow and greases are the major domestic soap fats. As production has increased while domestic requirements have turned down, large quantities have become available for export at low prices. Exports in October 1952-July 1953 comprised a record 40 percent of total disappearance (exports plus domestic use) in this period.

Table 9.- Inedible tallow and greases: Production, utilization, net foreign trade, and wholesale price, United States, 1937-53

Period	Apparent production 1/	Factory consumption			Net imports (+) or net exports (-)	Stocks, end of period	Price per pound, prime inedible tallow, Chicago
		In soap	In other products	Total			
	Mil. lb.	Mil.lb.	Mil.lb.	Mil.lb.	Mil.lb.	Mil.lb.	Cents
Average							
1937-41	1,167	965	204	1,169	+ 2	321	6.3
1942-46	1,748	1,398	418	1,816	+ 26	233	9.2
1947	2,023	1,526	356	1,882	- 68	246	19.2
1948	1,940	1,451	331	1,782	- 87	317	16.0
1949	2,132	1,346	320	1,666	-431	352	6.4
1950	2,272	1,363	444	1,807	-534	283	8.8
1951	2,256	1,173	487	1,660	-534	345	12.1
1952	2,318	1,076	465	1,541	-747	375	5.5
Oct.-July							
1949-50	1,767	1,059	324	1,383	-373	367	6.1
1950-51	2,000	1,105	421	1,526	-414	340	14.4
1951-52	1,904	896	402	1,298	-601	346	6.4
1952-53	2,182	847	422	1,269	-843	410	4.3

1/ Computed from factory consumption, trade and stocks.

Compiled from reports of the Bureau of the Census and the Bureau of Labor Statistics.

Use of fats and oils in drying-oil products in 1952-53 was up about 5 percent from the year before. Consumption probably was no larger than a year earlier as it is believed that the low 1951-52 level reflects the use of inventories (built up when fighting began in Korea) that are not reported. Use of fats and oils in paint and other drying oil products may not change much in 1953-54, as any reduction in construction is expected to be moderate and repair and maintenance of buildings is likely to be well maintained.

Use of soybean, secondary and tall oils increased in 1952-53 while consumption of the others remained about the same. Total supplies of drying oils in 1953-54 will be large, although supplies of tung oil will not be as plentiful as they were before imports from China were prohibited. However, supplies of quick-drying oils should be sufficient to meet requirements.

Use of fats and oils in other industrial products probably was at a peak in 1952-53. Monthly data are not available to show the break-down by uses of this total. However, of the 1,067 million pounds used in calendar-year 1951, 453 million pounds were used in fat splitting, 46 million in textiles, 43 million in rubber, 34 million in tin and terne plate, 35 million in sulphonation and 43 million pounds represents the fat equivalent of soaps used in synthetic rubber. Smaller quantities are listed for a number of other industries. Part of the use in pressing and in "other processing" also is included. The most important oils used for these purposes are inedible tallow and greases, coconut, palm, castor, fish and fish-liver oils.

Use for miscellaneous industrial purposes varies with the level of industrial activity but has followed a generally rising trend. However, there is likely to be some decline in 1953-54.

Production of tall oil, a byproduct of the sulphate paper industry, is at an annual rate of about 325 million pounds per year. Domestic disappearance in the 10 months ended July 1953 was 240 million pounds, compared with 222 million in the preceding year. The major reported use of tall oil is in the production of synthetic drying oils for use in paints, varnishes and linoleum.

LARGE SUPPLIES OF FATS AND OILS IN 1954-55

Supplies of the major fats and oils again will be plentiful in 1954-55.

Stocks of food fats on October 1, 1954, the beginning of the 1954 crop year, are expected to be only moderately below the present record level. Production will be large. More lard should be available in 1954-55. With prices of hogs high all during 1953, a rise in hog production can be expected in 1954. The 1954 spring pig crop may be up 5 to 10 percent from a year earlier and a rise in the 1954 fall pig crop is probable. These crops will provide most of the hogs slaughtered in 1954-55.

On October 9, the U. S. Department of Agriculture announced an acreage allotment of 17.9 million acres for the 1954 cotton crop, 6.7 million less than the 1953 planted acreage. With average growing conditions, this would be reflected in a decline from last year of over 600 million pounds of oil. The acreage restrictions will go into effect only if approved by farmers in a referendum to be held on December 15, 1953. In the last referendum, held in December 1949, 89 percent of the growers approved such restrictions.

With acreage restrictions on cotton and corn probable in 1954, a substantial increase in soybean plantings is expected. Most of the increase will be in land diverted from corn but greater plantings in the Mississippi Delta area are likely. It should be noted that the 1953 national average yield for soybeans was below the levels of recent years. Larger production of lard and soybean oil in 1954-55 will at least offset reduced output of cottonseed oil. Production of butter will be influenced by the support prices for dairy products in 1954 and 1955.

Stocks of flaxseed and linseed oil next July 1, the beginning of the 1954 crop year, will be equal to more than a year's supply. The crop produced in 1953 is more than adequate to meet all needs-despite the fact that yields were below average. A further increase in production is likely in 1954 in view of acreage restrictions on wheat.

It was announced October 20 that support on 1954 crop flaxseed would be 70 percent of parity, ($3.14 per bushel, farm basis), compared with 80 percent of parity ($3.79 per bushel, farm basis) for the 1953 crop.

Supplies of tallow and greases should be plentiful in 1954-55. Cattle slaughter is expected to remain at a high level and, as stated above, increased slaughter of hogs is in prospect.

Table 10.- Domestic disappearance of food fats*

Year and item	Unit	Oct.-Dec.	Jan.-Mar.	Apr.-June	July-Sept.	Total
1948-49						
Butter:						
Actual weight	Mil.lb.	384	382	418	403	1,587
Fat content	Mil.lb.	309	308	336	324	1,278
Margarine:						
Actual weight	Mil.lb.	222	234	188	209	853
Fat content	Mil.lb.	180	191	153	170	693
Lard (direct)	Mil.lb.	518	473	385	403	1,779
Shortening	Mil.lb.	371	341	349	395	1,456
Other edible 1/	Mil.lb.	308	288	289	319	1,204
Food (fat content):						
Total	Mil.lb.	1,686	1,600	1,512	1,611	6,409
Per person 2/	Lb.	11.3	10.6	10.0	10.6	42.6
1949-50						
Butter:						
Actual weight	Mil.lb.	378	413	431	387	1,609
Fat content	Mil.lb.	305	332	347	312	1,296
Margarine:						
Actual weight	Mil.lb.	224	259	177	237	898
Fat content	Mil.lb.	182	210	144	194	730
Lard (direct)	Mil.lb.	502	458	433	470	1,863
Shortening	Mil.lb.	362	450	338	481	1,631
Other edible 1/	Mil.lb.	282	293	289	404	1,268
Food (fat content):						
Total	Mil.lb.	1,632	1,744	1,551	1,863	6,790
Per person 2/	Lb.	10.7	11.4	10.1	12.1	44.3
1950-51						
Butter:						
Actual weight	Mil.lb.	417	369	398	368	1,552
Fat content	Mil.lb.	336	297	321	296	1,250
Margarine:						
Actual weight	Mil.lb.	257	274	226	243	1,000
Fat content	Mil.lb.	210	224	184	199	817
Lard (direct)	Mil.lb.	544	503	441	435	1,923
Shortening	Mil.lb.	407	387	270	358	1,422
Other edible 1/	Mil.lb.	322	349	272	287	1,230
Food (fat content):						
Total	Mil.lb.	1,817	1,759	1,488	1,577	6,641
Per person 2/	Lb.	11.7	11.3	9.5	10.0	42.6
1951-52						
Butter:						
Actual weight	Mil.lb.	371	318	365	334	1,389
Fat content	Mil.lb.	299	256	294	269	1,118
Margarine:						
Actual weight	Mil.lb.	287	338	302	291	1,218
Fat content	Mil.lb.	235	276	245	236	992
Lard (direct)	Mil.lb.	518	473	408	447	1,846
Shortening	Mil.lb.	378	398	413	384	1,573
Other edible 1/	Mil.lb.	283	338	368	368	1,357
Food (fat content):						
Total	Mil.lb.	1,711	1,741	1,729	1,704	6,885
Per person 2/	Lb.	10.9	11.0	10.9	10.7	43.5
1952-53						
Butter:						
Actual weight	Mil.lb.	351	332	448		
Fat content	Mil.lb.	283	258	310		
Margarine:						
Actual weight	Mil.lb.	342	354	286		
Fat content	Mil.lb.	278	287	235		
Lard (direct)	Mil.lb.	511	482	440		
Shortening	Mil.lb.	414	413	331		
Other edible 1/	Mil.lb.	304	318	388		
Food (fat content):						
Total	Mil.lb.	1,791	1,758	1,703		
Per person 2/	Lb.	11.2	10.9	10.5		

1/ Mainly salad and cooking oils. Includes all oils and fats (other than butter, lard, margarine, and shortening) used in mayonnaise and salad dressing, bakery goods, and confectionery, commercial roasting and frying, etc. 2/ Civilian and military.

*Revised in accordance with data to be published in the fats and oils handbook next year.

Table 11.- Domestic disappearance of fats and oils in all products*

Year and Item	Unit	Oct.-Dec.	Jan.-Mar.	Apr.-June	July-Sept.	Total
1948-49						
Soap 1/ 2/	Mil. lb.	510	450	421	438	1,819
Drying oil products 3/	Mil. lb.	228	211	199	277	915
Other industrial products 2/	Mil. lb.	158	182	192	202	734
All industrial products:						
Total	Mil. lb.	896	843	812	917	3,468
Per person 4/	Lb.	6.0	5.6	5.4	6.1	23.0
All products (fat content)						
Total 5/	Mil. lb.	2,582	2,444	2,326	2,525	9,877
Per person 4/	Lb.	17.3	16.3	15.4	16.7	65.6
1949-50						
Soap 1/ 2/	Mil. lb.	455	453	387	441	1,736
Drying oil products 3/	Mil. lb.	234	215	289	334	1,072
Other industrial products 2/	Mil. lb.	197	248	235	241	921
All industrial products:						
Total	Mil. lb.	886	917	911	1,016	3,730
Per person 4/	Lb.	5.8	6.0	5.9	6.6	24.3
All products (fat content)						
Total 5/	Mil. lb.	2,519	2,663	2,462	2,877	10,521
Per person 4/	Lb.	16.5	17.4	16.0	18.7	68.7
1950-51						
Soap 1/ 2/	Mil. lb.	528	521	380	287	1,716
Drying oil products 3/	Mil. lb.	285	302	279	261	1,127
Other industrial products 2/	Mil. lb.	266	285	267	251	1,069
All industrial products:						
Total	Mil. lb.	1,079	1,108	926	799	3,912
Per person 4/	Lb.	7.0	7.1	5.9	5.1	25.1
All products (fat content)						
Total 5/	Mil. lb.	2,897	2,868	2,414	2,376	10,555
Per person 4/	Lb.	18.7	18.4	15.4	15.1	67.7
1951-52						
Soap 1/ 2/	Mil. lb.	327	374	326	326	1,353
Drying oil products 3/	Mil. lb.	225	230	239	251	945
Other industrial products 2/	Mil. lb.	263	277	298	275	1,113
All industrial products:						
Total	Mil. lb.	815	881	863	852	3,411
Per person 4/	Lb.	5.2	5.6	5.4	5.3	21.5
All products (fat content)						
Total 5/	Mil. lb.	2,526	2,623	2,592	2,555	10,296
Per person 4/	Lb.	16.0	16.6	16.3	16.0	64.9
1952-53						
Soap 1/ 2/	Mil. lb.	345	344	310		
Drying oil products 3/	Mil. lb.	247	231	248		
Other industrial products 2/	Mil. lb.	275	296	309		
All industrial products:						
Total	Mil. lb	867	872	867		
Per person 4/	Lb.	5.4	5.4	5.4		
All products (fat content)						
Total 5/	Mil. lb.	2,658	2,629	2,571		
Per person 4/	Lb.	16.6	16.3	15.9		

1/ Excludes fat equivalent of exports and shipments of soap. 2/ Fat equivalent of soap used in synthetic rubber is included with "other industrial products." Prior to 1949, most of the fats and oils used in synthetic detergents are believed to have been reported as used in soap. Beginning in January 1949, this use of fats and oils is entirely included in "other industrial products."

3/ Paints, varnishes, floor coverings, oilcloth, printing inks, core oils, synthetic resins, insulation, linings, packings, coated fabrics (other than oilcloth), caulking and other protective coatings. 4/ Civilian and military. 5/ Including food.

*Revised in accordance with data to be published in the fats and oils handbook next year.

Table 12 .- Calculation of domestic disappearance of fats and oils, except butter, used in food, year beginning October 1952 with comparisons*

Year and item	Unit	Oct.-Dec.	Jan.-Mar.	Apr.-June	July-Sept.	Total
1948						
Fats and oils used principally for food 1/						
Production	Mil.lb.	2,189	2,010	1,471	1,357	7,027
Net exports	Mil.lb.	234	349	616	319	1,518
Increase (+) or decrease (-) in stocks	Mil.lb.	+501	+260	-417	-329	+15
Nonfood uses	Mil.lb.	111	130	134	125	500
Other fats and oils, food uses 2/	Mil.lb.	49	34	35	40	158
Net domestic disappearance of fats and oils for food (butter excluded)						
Total	Mil.lb.	1,377	1,292	1,176	1,287	5,132
Per person, civilian and military	Lb.	9.2	8.6	7.8	8.5	34.1
1949						
Fats and oils used principally for food 1/						
Production	Mil.lb.	2,273	1,976	1,526	1,340	7,115
Net exports	Mil.lb.	351	423	298	149	1,221
Increase (+) or decrease (-) in stocks	Mil.lb.	+475	+4	-44	-417	+18
Nonfood uses	Mil.lb.	150	165	119	118	552
Other fats and oils, food uses 2/	Mil.lb.	27	23	46	56	152
Net domestic disappearance of fats and oils for food (butter excluded)						
Total	Mil.lb.	1,327	1,412	1,204	1,551	5,494
Per person, civilian and military	Lb.	8.7	9.2	7.8	10.0	35.8
1950						
Fats and oils used principally for food 1/						
Production	Mil.lb.	2,248	2,044	1,626	1,459	7,377
Net exports	Mil.lb.	302	295	518	394	1,509
Increase (+) or decrease (-) in stocks	Mil.lb.	+335	+191	-125	-266	+135
Nonfood uses	Mil.lb.	179	152	112	92	536
Other fats and oils, food uses 2/	Mil.lb.	43	57	46	42	188
Net domestic disappearance of fats and oils for food (butter excluded)						
Total	Mil.lb.	1,481	1,462	1,167	1,281	5,391
Per person, civilian and military	Lb.	9.6	9.4	7.5	8.2	34.6
1951 3/						
Fats and oils used principally for food 1/						
Production	Mil.lb.	2,448	2,295	1,627	1,413	7,783
Net exports	Mil.lb.	422	465	260	200	1,348
Increase (+) or decrease (-) in stocks	Mil.lb.	+515	+231	-163	-301	+282
Nonfood uses	Mil.lb.	129	152	132	123	536
Other fats and oils, food uses 2/	Mil.lb.	31	35	44	42	152
Net domestic disappearance of fats and oils for food (butter excluded)						
Total	Mil.lb.	1,412	1,485	1,435	1,435	5,767
Per person, civilian and military	Pounds	9.0	9.4	9.0	9.0	36.4
1952 3/						
Fats and oils used principally for food 1/						
Production	Mil.lb.	2,509	2,181	1,645		
Net exports	Mil.lb.	342	256	214		
Increase (+) or decrease (-) in stocks	Mil.lb.	+528	+302	-41		
Nonfood uses	Mil.lb.	163	148	134		
Other fats and oils, food uses 2/	Mil.lb.	33	24	54		
Net domestic disappearance of fats and oils for food (butter excluded)						
Total	Mil.lb.	1,508	1,499	1,393		
Per person, civilian and military	Lb.	9.4	9.3	8.6		

1/ Includes lard, oleo oil, oleo stock, oleo stearine, edible tallow; corn, cottonseed, peanut, soybean and edible olive oil. Production and exports include oil equivalent of exported soybeans and peanuts for crushing abroad. Net exports also include margarine, shortening and vegetable stearine, and shipments. Change in stocks includes vegetable stearine, shortening and estimates for farm lard; and in 1951-52 margarine. 2/ Mainly babassu, coconut, palm-kernel and sesame oils. Unreported disappearance of these oils assumed to be for food purposes, as well as factory consumption in food uses. (Unreported disappearance is the difference between domestic disappearance, computed from production, imports, exports, and factory and warehouse stocks, and total factory consumption including refining loss.) 3/ Preliminary.

Compiled from reports of the Bureau of the Census and United States Department of Agriculture. Totals and per person estimates computed from unrounded numbers.

*Totals have been revised by subtracting butter from the totals in table 10 . Totals computed from above data will differ slightly.

Table 13 .- Fats, oils, including margarine and shortening, and tall oil: Production from domestic and imported materials, and factory and warehouse stocks at end of month

Items grouped by major use	Production 1/				Stocks			
	Oct.-Aug.	Oct.-Aug.	1953		1952		1953	
	1951-52	1952-53	July	Aug.	Aug. 31	Sept. 30	July 31	Aug. 31
	Mil.lb.	Mil.lb.	Mil.lb.	Mil.lb.	Mil.lb.	Mil.lb.	Mil.lb.	Mil.lb.
PRIMARY FATS AND OILS								
Food fats and oils								
Butter 2/	1,063.4	1,295.0	138.1	119.6	111.4	111.3	309.9	334.9
Lard and rendered pork fat 3/	2,467.5	2,123.3	140.0	126.0	167.7	143.2	109.3	55.6
Oleo oil, oleo stock, edible animal stearine, and edible tallow 4/	159.9	199.1	16.4	19.1	10.9	10.3	11.1	8.9
Total edible animal fats	3,690.8	3,617.4	294.5	264.7	290.0	264.8	430.3	399.4
Corn oil	202.6	236.7	19.0	21.6	12.0	12.0	14.5	14.9
Cottonseed oil	1,563.6	1,668.2	55.4	57.4	356.4	392.0	971.0	956.4
Olive oil, edible	4.3	6.9	---	---	6.9	5.9	6.0	5.1
Peanut oil	117.6	48.2	4.1	4.1	14.9	10.3	4.8	4.4
Soybean oil	2,287.5	2,361.7	179.5	208.7	260.6	194.3	270.3	243.3
Total edible vegetable oils	4,175.6	4,321.7	258.0	291.8	650.8	614.5	1,266.6	1,224.1
Soap fats and oils								
Tallow, inedible, and greases excluding wool grease 4/ 5/	2,086.6	2,375.7	223.5	193.5	337.9	339.8	410.3	389.3
Palm oil	---	---	---	---	26.2	23.9	19.5	17.7
Fish oil	104.2	6/116.6	31.8	6/30.0	64.8	67.1	39.2	59.8
Whale and seal oils		---	---	---	.3	.4	.5	.3
Olive oil, inedible and foots	7/	---	---	---	3.4	3.1	2.3	1.9
Coconut oil	401.8	393.4	31.3	36.0	59.4	54.6	50.5	46.4
Total soap fats	2,592.6	2,885.7	286.6	259.5	492.0	488.9	522.3	515.4
Drying oils								
Castor oil, dehydrated	11.7	16.2	1.2	1.4	3.8	4.3	4.5	4.3
Linseed oil	507.0	452.1	26.8	43.9	653.3	648.7	607.8	581.9
Oiticica oil	---	---	---	---	5.8	5.6	3.1	2.9
Tung oil	11.4	42.0	7/	7/	12.8	9.9	22.9	21.1
Total drying oils	530.1	510.3	28.0	45.3	675.7	668.5	638.3	610.2
Other industrial oils and fats								
Neat's-foot oil	1.6	1.8	.2	.1	1.0	.9	1.1	1.0
Sperm-oil	---	---	---	---	20.3	18.7	7.2	8.6
Wool grease	7.4	9.2	.8	.7	.5	.5	1.7	2.0
Cod oil and fish-liver oils	2.3	1.2	.1	.2	6.0	6.0	5.4	6.4
Castor oil, No.1 and No.3 8/	51.6	46.3	3.5	3.3	22.6	22.9	42.6	40.9
Rapeseed oil	7/	1.4	---	---	2.0	2.1	2.2	1.9
Other vegetable oils	15.7	23.6	1.6	2.4	12.8	14.9	29.8	32.3
Total	78.6	83.5	6.2	6.7	65.2	66.0	90.0	93.1
Grand total 9/	10/11,569.2	10/11,910.9	873.3	868.1	2,173.9	2,102.8	2,947.3	2,842.2
From domestic materials	10/11,098.6	10/11,448.8	837.1	827.4				
From imported materials	470.6	462.1	36.2	40.7				
FAT-AND-OIL PRODUCTS								
Margarine -- Colored	962.8	1,107.5	85.8	91.5	10.3	11.3	15.3	12.4
Uncolored	136.7	68.6	4.0	4.6	2.0	1.7	1.4	1.4
Total	1,099.6	1,176.1	89.8	96.1	12.3	13.0	16.7	13.8
Shortening	1,419.5	1,454.1	105.9	130.9	92.6	74.1	113.7	100.9
Tall oil	299.5	296.2	22.4	29.0	83.1	83.5	80.8	83.2

1/ Factory production except as otherwise noted.

2/ Creamery butter production and cold-storage stocks, United States Department of Agriculture.

3/ Total commercial. Excludes farm production. Federally inspected in Oct. 1951-Aug. 1952 totaled 2,121.9 million pounds, Oct. 1952-Aug. 1953 totaled 1,813.9 million pounds.

4/ June production for oleo oil, oleo stock, edible animal stearine, and edible tallow was 19.4 million pounds. June production for tallow, inedible, and greases excluding wool grease was 222.6 million pounds.

5/ Total apparent production, Bureau of Agricultural Economics. (Computed from factory consumption, trade and stocks.)

6/ Estimated for August.

7/ Included in "Other vegetable oils."

8/ Production of No. 1 and No. 3 minus production of dehydrated castor oil.

9/ Computed from unrounded numbers.

10/ Includes estimated output of farm butter and farm lard, 501.5 million pounds in Oct. 1951-Aug. 1952; 492.4 million pounds in Oct. 1952-Aug. 1953.

Compiled from reports of the Bureau of the Census, except as noted. Data include stocks held by the Government in reported position.

Table 14.- Imports and exports of fats, oils, oil-bearing materials and fat-and-oil products in terms of oil

Item	Imports for consumption				Exports 1/			
	October-July		1953		October-July		1953	
	1951-52	1952-53	June	July	1951-52	1952-53	June	July
	Mil.lb.	Mil.lb.	Mil.lb.	Mil.lb.	Mil.lb.	Mil.lb.	Mil.lb.	Mil.lb.
Food fats and oils								
Butter	.2	2/	2/	---	1.0	.3	2/	2/
Lard	3.7	.4	2/	---	623.9	407.3	28.9	33.2
Oleo oil	---	---	---	---	4.0	6.3	.3	.4
Oleo stock	---	2/	---	---	15.9	13.4	2.1	.3
Stearine, animal, edible	.2	2/	2/	---	.8	1.5	.2	2/
Tallow, edible	.1	2/	2/	---	8.5	9.8	.8	.9
Total, edible animal fats	4.2	.4	2/	---	654.1	438.6	32.3	34.8
Cottonseed oil	---	2/	---	---	113.8	46.3	1.9	.9
Cottonseed (15.5 percent)	---	---	---	---	3.5	3.8	2/	2/
Olive oil, edible	28.9	36.8	4.2	2.4	2/	---	---	---
Peanut oil	---	---	---	---	26.6	1.2	.1	2/
Peanuts, shelled (43 percent)	---	---	---	---	---	---	---	---
Soybean oil	2/	2/	---	---	234.6	77.9	3.9	6.1
Soybeans (16.7 percent) 3/	2/	2/	2/	---	149.1	292.6	18.3	18.4
Stearine, vegetable oil, winter	---	---	---	---	2/	2.2	.2	.2
Other vegetable oils	4.8	4.9	.2	.2	20.7	31.7	3.3	4.8
Total, edible vegetable oils	33.7	41.7	4.4	2.6	548.3	455.7	27.7	30.4
Soap fats and oils								
Fish and fish liver oils non-medicinal	18.5	6.8	.9	1.1	18.0	78.5	11.7	7.6
Greases	.4	.1	2/	---	85.0	117.1	20.3	15.4
Marine mammal oils	21.3	29.9	.7	2.9	.2	.2	2/	2/
Foots and soap stock, including olive oil	.2	.7	---	2/	4.2	11.4	1.9	1.3
Palm oil	80.0	31.3	2.7	3.2	.4	---	---	---
Tallow, inedible	.8	.1	2/	---	517.3	725.8	81.1	90.4
Total, slow-lathering oils	121.2	68.9	4.3	7.2	625.1	933.0	115.0	114.7
Babassu oil	7.1	---	---	---	---	---	---	---
Babassu kernels (63 percent)	---	---	---	---	---	---	---	---
Coconut oil	80.3	111.5	7.1	8.0	34.3	13.5	.8	.9
Copra (63 percent)	376.9	341.6	31.1	27.4	---	---	---	---
Palm kernel oil	4.3	42.3	4.6	3.7	---	---	---	---
Tucum kernels (43 percent)	.3	2/	---	---	---	---	---	---
Total, lauric-acid oils	468.9	495.4	42.8	39.1	34.3	13.5	.8	.9
Drying oils								
Flaxseed (35.4 percent)	2/	2/	2/	2/	54.9	.4	2/	2/
Linseed oil	2/	2/	2/	---	18.0	3.5	.3	1.2
Oiticica oil	4.8	6.3	.8	1.1	---	---	---	---
Tung oil	25.9	11.1	1.8	.1	1.4	.3	.1	2/
Total	30.7	17.4	2.6	1.2	74.3	4.2	.4	1.2
Other industrial oils and fats								
Cashew nut shell liquid (oil)	7.5	11.3	.8	2.1	---	---	---	---
Castor oil	83.0	122.8	17.4	15.9	.6	.4	.1	2/
Castor beans (45 percent)	53.1	49.1	2.3	2.1	---	---	---	---
Fish-liver oils, medicinal	17.5	19.0	2.0	2.4	9.1	.3	2/	2/
Neat's-foot oil and stock	.1	.4	2/	2/	.3	.2	2/	2/
Rapeseed oil	4.0	3.7	---	---	2/	---	---	---
Wool grease	3.8	8.3	.8	.5	.2	---	---	---
Other vegetable oils and fats, inedible	.3	.4	2/	.1	5.2	9.2	1.0	.7
Total	169.3	215.0	23.3	23.1	15.4	10.1	1.1	.7
Other products (fat content)								
Margarine 4/	.1	.1	2/	2/	1.6	1.9	.2	.3
Shortening	2/	---	---	---	6.4	6.2	.6	.4
Cooking and salad oils	---	---	---	---	3.2	1.4	.2	.3
Salad products 5/	---	---	---	---	1.1	1.5	.1	.2
Soap	.4	.6	.1	.1	20.7	16.0	2.1	1.5
Fatty acids	2.8	3.0	.1	.2	44.2	25.5	1.8	1.4
Total	3.3	3.7	.2	.3	77.2	52.5	5.0	4.1
Grand total 6/	831.5	842.8	77.7	73.5	2,028.9	1,907.4	182.3	186.8
Tall oil	---	---	---	---	36.1	29.8	3.9	1.4

1/ Includes re-exports of coconut, palm, and tung oils, olive-oil foots and copra. Does not include shipments.

2/ Less than 50,000 pounds.

3/ October 1951-July 1952, 16.3 percent.

4/ Imported margarine goes largely to Puerto Rico and the Virgin Islands.

5/ Includes mayonnaise and salad dressing.

6/ Computed from unrounded numbers.

Compiled from reports of the Bureau of the Census, and United States Department of Agriculture.

Table 15 .- Index numbers of wholesale prices of fats and oils

Item	1947-49=100				
	September		1953		
	1951	1952	July	August	September
All fats and oils	85	79	73	73	76
All fats and oils, except butter	74	58	56	57	61
Grouped by origin:					
Animal fats	90	88	77	78	81
Vegetable oils, domestic	71	63	60	61	64
Vegetable oils, foreign	89	77	85	83	86
Grouped by use:					
Butter	98	106	94	94	96
Butter, seasonally adjusted	96	104	100	99	95
Lard	89	52	65	81	93
Food fats other than butter	74	62	63	64	68
Food fats other than butter and lard	73	63	63	63	66
All edible fats and oils	90	90	83	84	86
Soap fats	69	44	43	42	48
Drying oils	85	81	68	69	72
Other industrial	82	57	51	51	54
All industrial	74	55	51	51	55
Edible vegetable oils, grouped by degree of processing:					
Crude	73	63	63	63	66
Refined	75	66	78	71	69
End products	89	81	84	83	80

All indexes except "Butter, seasonally adjusted" and "Other industrial" from Bureau of Labor Statistics.

Table 16 .- Price received by farmers and prices at terminal markets for specified oil-bearing materials and oilmeals

Item	Unit	September		1953		
		1951	1952	July	August	September
		Dollars	Dollars	Dollars	Dollars	Dollars
Castor beans, Brazilian ports	Long ton	226.67	170.00	140.00	135.00	133.75
Copra, Philippines, c.i.f. Pacific Coast	Short ton	181.25	141.25	186.50	183.12	190.62
Cottonseed, United States average	Short ton	66.10	69.60	59.00	56.70	51.50
Flaxseed, No. 1, Minneapolis	Bushel	3.83	4.17	3.50	3.56	3.85
Flaxseed, United States average	Bushel	3.41	3.80	3.17	3.21	3.48
Peanuts, No. 1, shelled, Spanish, Southeastern shipping points*	100 lb.	18.50	19.88	20.25	20.12	19.12
Peanuts, United States average	100 lb.	11.00	11.10	11.10	11.10	11.00
Soybeans, No. 2, Yellow, Chicago	Bushel	2.66	---	2.69	---	2.57
Soybeans, No. 2, Yellow, Illinois country shipping points	Bushel	2.77	2.98	2.56	2.55	2.47
Soybeans, United States average	Bushel	2.59	2.83	2.44	2.40	2.33
				Oilseed Meals 1/		
Copra meal, Los Angeles 2/	Short ton	74.20	90.60	75.90	69.00	68.00
Cottonseed meal, 41 percent protein, Memphis	Short ton	68.75	86.05	60.75	62.60	58.00
Cottonseed meal, 41 percent protein, Chicago	Short ton	78.40	---	73.05	74.60	69.90
Linseed meal, 36 percent protein, Minneapolis	Short ton	68.25	83.25	61.90	63.25	64.00
Linseed meal, 34 percent protein, New York	Short ton	83.50	99.75	79.50	78.25	79.80
Peanut meal, 45 percent protein, f.o.b. Southeastern mills	Short ton	69.40	100.00	66.00	68.20	67.50
Soybean meal, 44 percent protein, Chicago	Short ton	82.80	103.35	76.40	73.15	70.65
Soybean meal, 44 percent protein, bulk, Decatur	Short ton	69.75	93.50	65.25	62.00	59.60

1/ Bagged carlots, except soybean meal at Decatur, which is bulk. 2/ Original quotations adjusted to bagged-carlots basis.

* This price applies to peanuts for edible uses.

Compiled from Oil, Paint, and Drug Reporter, Daily Market Record (Minneapolis), Wall Street Journal, Chicago edition, reports of the Bureau of Agricultural Economics, and records of Production and Marketing Administration.

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